APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/476,935	12/30/1999	Brian A. Weston	3524/5	8513

			EXAMINER
29858	7590	08/25/2004	KYLE, CHARLES R

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ART UNIT	PAPER NUMBER
3624	

DATE MAILED: 08/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *11 May 2004*.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-31* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-31* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage
application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent *May* not be obtained though the invention is not identically disclosed or
> described as set forth in section 102 of this title, if the differences between the subject
> matter sought to be patented and the prior art are such that the subject matter as a whole
> would have been obvious at the time the invention was made to a person having ordinary
> skill in the art to which said subject matter pertains. Patentability shall not be negatived
> by the manner in which the invention was made.

Claims 1 and 11 and 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Potter et al in view of *May*.

Concerning Claim 1, *Potter et al* disclose the invention substantially as claimed,

including:

In a system for conducting electronic trading of foreign exchange forwards (col. 9, lines

1-52; fig. 5, element 319; fig. 8);

a central server for tracking currency trades (col. 4, line 62 to col. 5, line 2; fig. 1,

element 100);

a plurality of trading workstations (col. 3, lines 13-63; fig. 1, ele.10);

at least one remote server interfacing the trading workstations to the central server,

wherein the at least one remote server mediates the currency trades between traders using

the workstations by consulting pre-set trading configurations associated with each trader

(col. 5, lines 38-41; fig. 2, ele. 124; col. 10, lines 24-40).

Potter et al do not specifically disclose pre-set trading configurations including temporary restrictions on a specified trader set by a first trader to put the specified trader in to a penalty box state. May teaches this feature at Col. 23, line1 to Col. 24, line 33 and the Abstract in the environment of foreign exchange trading, the same environment as Potter. It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the placement of restriction on traders so as to put a trader in a penalty box state as taught by May in a combination with the invention disclosed by Potter et al because this would have spared traders from dealing with other traders who were over-extended or credit risks. Such an arrangement would have allowed a trader to set his level of risk acceptance by pre-setting credit limits for each counter-party trader.

As to Applicants' newly claimed limitation that the temporary restrictions are of a predetermined duration, this feature is disclosed by as well by May at Col. 24, lines 34-44. Here May also discloses that a temporary restriction (only doing $50 million business) is imposed for a predetermined duration (from five to ten years). Modification of Potter et al with this feature would be obvious because this would provide traders flexibility in the timing of such restrictions.

Applicants' claims recite temporary restrictions that equate to a "penalty box" state that is also recited. The claims recite no particular feature to distinguish a "penalty box " state. For this reason, the disclosure by Potter of temporary restrictions of predetermined duration, as set forth above, is broadly and reasonably read on the claim language. These comments pertain to other Claims amended to recite this limitation

Applicants have also amended the Claims to recite a specified trader set. The

Examiner notes that a set can consist of zero or more elements and that Potter meets this

limitation as set forth in the discussion of at least Claim 27. These comments pertain to

other Claims amended to recite this limitation

As to Claim 11, *Potter et al* disclose the invention substantially as claimed,

including:

In a method for conducting electronic trading of foreign exchange forwards (col. 9, lines

1-52; fig. 5, element 319; fig. 8);

receiving currency trades for foreign exchange forwards using a plurality of trading

workstations for (col. 3, lines 13-63; fig. 1, ele.10);

tracking currency trades in a central server for (col. 4, line 62 to col. 5, line 2; fig. 1,

element 100);

mediating the currency trades between traders using at least one remote server interfacing

the trading workstations of respective traders to the central server, wherein the at least

one remote server consults pre-set trading configurations associated with each trader (col.

5, lines 38-41; fig. 2, ele. 124; col. 10, lines 24-40).

Potter et al do not specifically disclose pre-set trading configurations including

temporary restrictions on a specified trader set by a first trader to put the specified trader

in to a penalty box state. *May* teach this feature at page 135, lines 4-10, in the

environment of an auction. It would have been obvious to one of ordinary skill in the art

at the time of the invention to have included the placement of restriction on traders so as

to put a trader in a penalty box state as taught by *May* in a combination with the invention

disclosed by *Potter et al* because this would have spared traders from dealing with other

traders who were over-extended or credit risks. Such an arrangement would have

allowed a trader to set his level of risk acceptance by pre-setting credit limits for each

counter-party trader.

   As to Claim 27, *Potter* discloses a single trader/customer at Summary of the

Invention.

   Claims 2-7, 12-17, 20-24, 26, 29 and 31 are rejected under 35 U.S.C. 103(a) as being

unpatentable over *Potter et al* in view of *May* and further in view of *Giovannoli*.

   Concerning Claim 2, *Potter et al* and *May* disclose the invention substantially as

claimed. See the discussion of Claim 1 above. *Potter et al* does not disclose that pre-set trading

configurations correspond to filter settings for at least on filter criterion, wherein trades from

traders not meeting the filter criterion are blocked from view. *Giovannoli* discloses this filtering

feature at col. 4, line 61 to col. 6, line 35. It would have been obvious to one of ordinary skill in

the art at the time of the invention to have included the filtering feature disclosed by *Giovannoli*

in combination with *Potter et al* because this would have limited views of a trader to those trades

which were more likely to result in more rapid, complete and profitable foreign exchange

forward trades.

   As to Claim 3, see the discussion of Claim 2 above and *Potter et al* further disclose

credit rating restrictions as a filter criterion at col. 10, lines 24-40.

   Regarding Claim 4, *Giovannoli* disclose geographic restrictions at the Abstract, lines

19-22. It would have been obvious to one of ordinary skill in the art at the time of the invention

to have included this criterion in a combination with *Potter et al* because this would have

allowed a trader imposing such restriction to have excluded trades from areas which he or she

found undesirable for reasons such as volatility, politics or simple personal preference.

Concerning Claim 5, *Potter et al* suggest a filter criterion of institution restrictions.

Potter et al specifically disclose that some institutions *May* offer better trade conditions at col. 1,

line 66 to col. 2, line 11.

In setting the exchange rate, for a particular transaction, a bank faces a multitude of
factors. One obvious factor is the current rate of exchange between banks for the two currencies
the customer wishes to exchange. Further, depending on the size or nature of the relationship
with a particular customer a bank *May* wish to quote that customer a more favorable rate. For
example, if the customer has a large transaction or is a steady customer, the bank *May* wish to
provide the customer a more favorable rate. Further, if the currency to be purchased is less stable
because it is traded less often or the country issuing the currency is viewed as less stable, the
bank *May* wish to protect itself by charging a premium.

It would have been obvious to one of ordinary skill in the art at the time of the invention

to have provided an institution filter as suggested by *Potter et al* because this would have

allowed a trader to view trades from institutions which he or she knew to provide favorable

trading and block trades from institutions known to offer less favorable trading.

As to Claim 6, *Giovannoli* discloses trade amount restrictions in the Abstract, lines 19-

22. It would have been obvious to one of ordinary skill in the art at the time of the invention to

have used trade amount restrictions as disclosed by *Giovannoli* in combination with *Potter et al*

because this would have allowed a trader to view only those trades which were of a volume

which would be capable of effective trading by the trader. For example, the trader would have

avoided trades that were neither too large nor too small for his or her purposes – a Goldilocks

solution.

Concerning Claims 7 and 17, see the discussion of Claims 2 and 12 above and *May* disclose a filter (a credit limit) which includes temporary restrictions (restriction until the credit limit until sufficient credit becomes available to trade again) which restriction is used to block trades from the view of other traders (a penalty box state). It would have been obvious to one of ordinary skill in the art at the time of the invention to have included filtering for temporary restriction on a trader as taught by *May* in a combination with the invention disclosed by *Potter et al* because this would have penalized traders for unacceptable behaviors while keeping them in the population of potential trading partners over a longer time horizon, thus allowing for their improved performance.

Regarding Claim 12, *Potter et al* and *May* disclose the invention substantially as claimed. See the discussion of Claim 11 above. *Potter et al* and *May* do not disclose that pre-set trading configurations correspond to filter settings for at least on filter criterion, wherein mediating trades includes evaluation of trades using filters and blocking trades from traders not meeting the filter criterion are blocked from view. *Giovannoli* discloses this filtering feature at col. 4, line 61 to col. 6, line 35. It would have been obvious to one of ordinary skill in the art at the time of the invention to have included the filtering feature disclosed by *Giovannoli* in combination with *Potter et al* because this would have limited views of a trader to those trades which were more likely to result in more rapid, complete and profitable foreign exchange forward trades.

As to Claims 13-16, see the discussion of Claims 3-6 above.

Regarding Claim 20, *Potter et al* discloses the use of a plurality of graphical user at workstations' interfaces for receiving inputs and displaying trading information at Figures 14-29.

Potter et al and *May* do not specifically disclose the use of such graphical user interfaces to receive trader inputs to set respective trading configurations associated with each trader. *Giovannoli* disclose this feature at Col. 4, line 61 to col. 5, line 36. It would have been obvious to one of ordinary skill in the art at the time of the invention to have used the graphical user interfaces disclosed by *Giovannoli* in combination with *Potter et al* because this would have provided a familiar and easily used method for providing input and output for foreign exchange forwards trading.

As to Claims 21-23 see the discussion of Claims 2-4 above.

Concerning Claim 24, see the discussion of Claims 1 and 2 above.

Concerning Claim 26, see the discussion of Claims 1, 2 and 9 above.

As to Claim 29, *Potter* discloses a single trader/customer at Summary of the Invention.

As to Claim 31, *Potter* discloses a single trader/customer at Summary of the Invention.

Claims 8, 18 and 25 and 30 are rejected under 35 U.S.C. 103(a) as being unpatentable over *Potter et al* in view of *May* and further in view of *Erickson*.

Regarding Claims 8 and 18, *Potter et al* discloses the invention substantially as claimed. See the discussion of Claims 1 and 11 above. They do not specifically disclose in a remote server a database listing a set of other traders from which a trader *May* select a subset to whom he or she conveys a request-for-quote (RFQ) transmission. *Erickson* discloses a database

in a remote server at Fig. 3A, elements 44 and 60 and the selection of other traders from that

database for RFQs at Abstract; col. 3, lines 13-51; col. 8, lines 28-38; col. 10, lines 32-40; col.

14, lines 41-55 and col. 16, lines 34-42. It would have been obvious to one of ordinary skill in

the art at the time of the invention to have included the trader database in a remote server usable

to select a subset of traders for conveyance of an RFQ as disclosed by *Erickson* in combination

with *Potter et al* because this would have allowed a trader to direct requests-for-quotes to those

other traders deemed mostly likely to successfully complete trades.

With respect to Claim 25, see the discussion of Claims 1 and 8 above.

As to Claim 30, *Potter* discloses a single trader/customer at Summary of the Invention.

Claims 9-10 and 19 and 28 are rejected under 35 U.S.C. 103(a) as being unpatentable

over *Potter et al* in view of *May* and further in view of *Cooke*.

Regarding Claims 9 and 19, *Potter et al* discloses the invention substantially as

claimed. See the discussion of Claims 1 and 11 above. Further, *Potter et al* disclose the use of

telephones providing voice-based trading functionality at col. 2, lines 17-58, although they

emphasize the electronic trading aspect of their invention. *Cooke*, however, discloses this voice-

based trading functionality at page 4, fourth full paragraph and discloses its desirability. It

would have been obvious to one of ordinary skill in the art at the time of the invention to have

included the telephone-based trading functionality disclosed by *Cooke* in combination with

Potter et al because, as specifically stated by *Cooke*:

The old world of voice brokering is rapidly being transformed rather than disappearing.
Even in spot forex, where electronic brokers offer direct competition, it is doubtful that voice

brokers will entirely disappear. For one thing, the electronic brokers don't want them to. Voice brokers add flexibility, thus contributing to liquidity. And although the banks themselves participate in EBS, it is not in the interest of their dealers to have the market dominated by one system.

As to Claim 10, see the discussion of Claims 2 and 9 above. *Potter et al* do not show a plurality of trading workstations, groups and remote servers, although as noted in the treatment of the claims above these elements are disclosed. It would have been obvious to one of ordinary skill in the art at the time of the invention to provide pluralities of functional elements in a system for the electronic trading of currency exchange forwards since it has been held that duplicating a part for a multiple effect is obvious. *In re Harza*, 274 F.2d 669, 671, 124 USPQ 378, 380 (CCPA 1960).

As to Claim 28, *Potter* discloses a single trader/customer at Summary of the Invention.

Response to Arguments

Applicants' arguments regarding the newly claimed feature of a predetermined duration of temporary restrictions is addressed in the rejections set forth above.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Charles R Kyle whose telephone number is (703) 305-4458. The examiner can normally be reached on M-F 6:00-2:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Vincent A Millin can be reached on (703) 308-1065. The fax phone number for the

organization where this application or proceeding is assigned is 703-305-7687.

Information regarding the status of an application *May* be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

May be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

crk
August 19, 2004

Examiner Charles Kyle